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Attorney for Chapter 7 Trustee
Michael D. McGranahan

UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA

In Re:

Case No. 14-24824

JOHN S. NOTMAN and
JEANNETTE M. NOTMAN,

D.C. No. ADJ-7

Debtors.

Hearing

Date: November 17, 2015

Time: 9:30 a.m.

Place: 501 I Street, 6th Floor
Courtroom 32
Sacramento, California

TRUSTEE'S MOTION FOR AUTHORITY TO SELL LLC MEMBERSHIP INTEREST

Michael D. McGranahan, (the “***Trustee***”), in his capacity as Chapter 7 Trustee for the bankruptcy estate of John S. Notman and Jeannette M. Notman, brings this motion to sell a 50% membership interest (the “***Membership Interest***”) in H and N Homes, LLC, a California limited liability company, which is property of the bankruptcy estate, pursuant to 11 United States Code § 363 (b)(1) and Federal Rule of Bankruptcy Procedure 6004 (a), and pursuant to the notice requirements of Local Rule 9014-1(f)(1), and respectfully represents:

1. On May 7, 2014, the Debtors filed a voluntary petition in this Court under Chapter 7 of Title 11, United States Code. The Trustee was appointed trustee in this case on May 7, 2014.

2. This motion seeks authority to sell property of the estate out of the ordinary

1 course of business pursuant to 11 U.S.C. § 363 (b)(1).

2 3. As of the petition date, the Debtors owned a 50% membership interest in H and
 3 N Homes, LLC, a California Limited Liability Company (the “**Company**”). The sole asset of
 4 the Company is a bank account with JPMorgan Chase Bank, N.A., Total Business Checking
 5 Account, Account No. ending in 7272 (the “**Bank Account**”). The balance in the Bank Account
 6 as of the petition date and current balance is approximately \$5,562.98.

7 4. The Trustee has entered into an agreement, subject to this Court’s approval, with
 8 John S. Notman and Jeanette M. Notman (the “**Debtors**”), for the sale and purchase of the
 9 Membership Interest for a price of \$2,781.49, which purchase price is equal to ½ the balance in
 10 the Bank Account. The Debtors have already paid the purchase price to the Trustee.

11 5. A copy of the ‘Agreement for Purchase and Sale of Membership Interest,’ (the
 12 “**Purchase Agreement**”) is filed as **EXHIBIT “A”** in support of this motion.

13 6. Authority for this motion to sell an asset of the estate is found in 11 U.S.C. §
 14 363(b)(1): “The trustee, after notice and a hearing, may use, sell, or lease, other than in the
 15 ordinary course of business, property of the estate . . . “ Selling the Membership Interest of this
 16 bankruptcy estate is not a transaction in the ordinary course of business.

17 7. Notice of the proposed sale of the Membership Interest shall be made pursuant to
 18 Federal Rule of Bankruptcy Procedure 6004(a). Notice is not required under subsection 7A of
 19 the Clayton Act; thus, the notice of provisions of 11 U.S.C. § 363(b)(2) do not apply. Notice of
 20 the proposed sale of the Membership Interest shall also be made pursuant to Local Rule 9014-
 21 1(f)(1).

22 8. The Trustee respectfully requests the court to waive the 14 day stay provision of
 23 Federal Rule of Bankruptcy Procedure 6004(h) so as to allow the sale of the Membership
 24 Interest immediately upon entry of an order.

25 WHEREFORE, Michael D. McGranahan, acting in his capacity as trustee, respectfully
 26 prays for an order of this Court:

27 1. Authorizing the sale of the 50% Membership Interest in H and N Homes, LLC,
 28 to John S. Notman and Jeanette M. Notman, for the purchase price of \$ \$2,781.49 on the terms

1 outlined in the Purchase Agreement filed concurrently herewith as EXHIBIT "A";

2. Authorizing the Trustee to complete the transaction;

3 3. Authorizing the Trustee to execute all documents which are necessary or
4 convenient to complete the transaction;

5 4. Waiving the 14 day stay provision of Federal Rule of Bankruptcy Procedure
6 6004(h) so as to allow the sale of the Membership Interest within five (5) business days upon
7 entry of an order; and

5. That provides such further and other relief as deemed appropriate by the Court.

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Dated: October 8, 2015

By:

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Michael D. McGranahan

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